

UBS Media Week Conference New York

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December 7, 2004

Strong Asset Base



Global

No. 1

\$2.3bn



Part
Global

No. 2

\$2.1bn



US, UK,
Common-
wealth

No. 2/3

\$1.5bn



Part
Global

No. 1

\$2.2bn

2003 revenues

Positive Fundamentals



- Well balanced portfolio, targeted at professionals
- Leadership positions, strong brands, high quality content
- Organisational strength delivering against executional milestones
- Strong cash flow based on subscription model
- Consistent market outperformance

Clear and Consistent Strategy



Positive Outlook

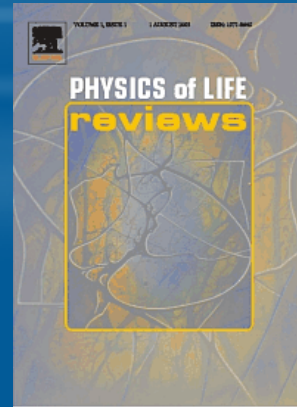
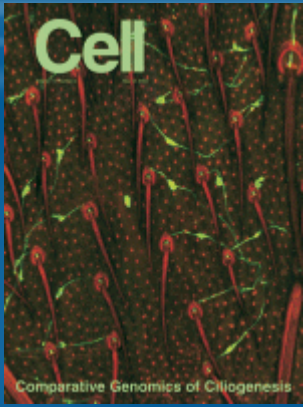


Core business strongly placed:

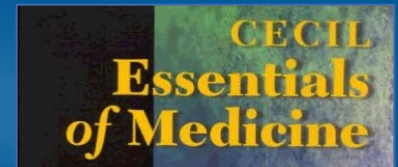
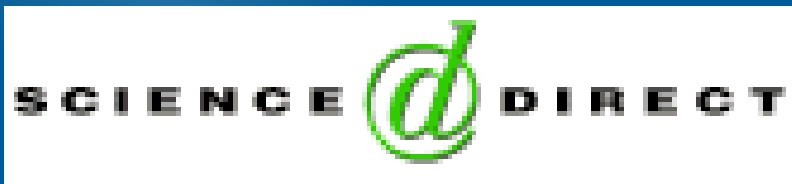
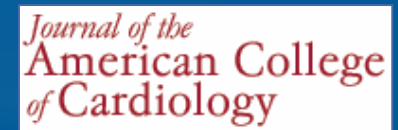
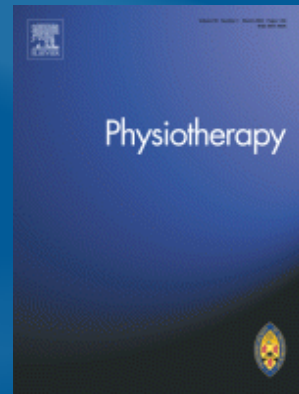
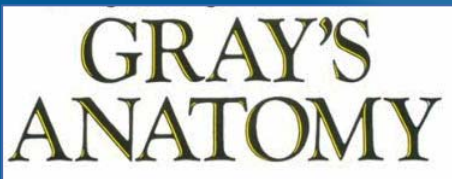
- Leadership positions, strong brands, high quality content
- Improving market growth
- Consistent outperformance
- Strong new initiative pipeline / investment

Expansion into adjacent fast growing markets:

- Leveraging skills / assets / customer base



SCOPUS





Science & Technology (2003 revenues: \$1.3bn)

- #1 journals publisher
 - 1,300 academic journals
- Leading content
 - 6m articles in digital archive
 - 300,000 new articles per annum
- Leading online database
 - ScienceDirect
 - Over 10 million users

Health Sciences (2003 revenues: \$1.0bn)

- #1 healthcare publisher
 - 8,000 clinical reference works
 - 500 journals
- Leading online services
 - MDConsult – used by over 1,500 hospitals worldwide

#1 scientific journals publisher / leading online database

Attractive long term market

- Rising R&D output; library budgets constrained
- Scientific publishing output increasing
- Online services improving research productivity

Core business strength

- Increasing usage (+30%)
- Renewals (96%)
- E-only c35%
- Articles published +4%; articles submitted +7%

Continued expansion in growth markets

- Enhanced scientific navigation and delivery - Scopus

#1 healthcare publisher / growing online services

Attractive long term market

- Medical spending increasing
- Growing demand for new information
- Focus on medical productivity
- Expanding healthcare professions

Core business strength

- Attractive front-list – surgery +10%
- Strong growth in allied health programmes >10%

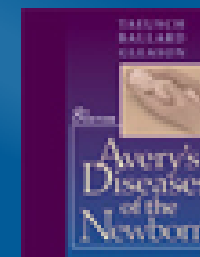
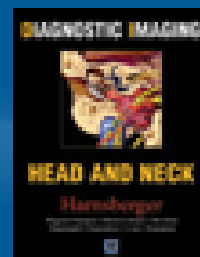
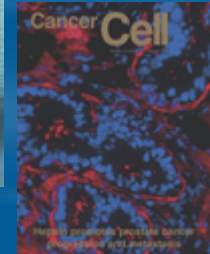
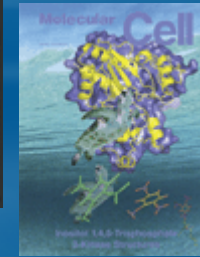
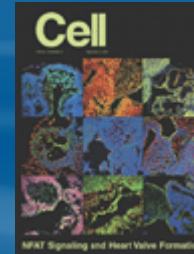
Continued expansion in growth markets

- E-healthcare services
 - International expansion
-

Core Business Strength



- Expanding ScienceDirect
 - Content increased to 6m articles
 - Backfiles extended – Cell Press archive launched
- Widening distribution
 - Strategic journal collaboration in China
- Strong front list publishing
 - strong across major segments in 2005
- Substantial ongoing investment
 - Scopus, EVOLVE, FIRST Consult

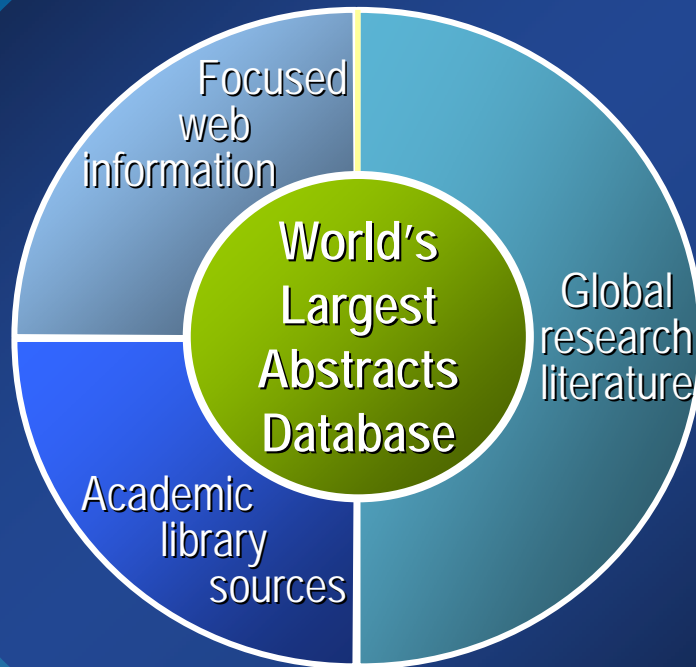


Expansion in Growth Markets



SCOPUS

Intuitive search and browse functionality



30m abstracts from 14,000 journals of 4,000 publishers and extensive bibliographic references

Secondary STM information market
Growth >6% : Size c\$200m

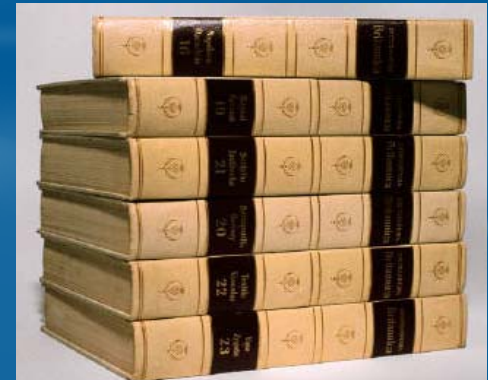
Successful launch Q4 2004
Positive customer response

"This makes searching easier and, ultimately, research more efficient"

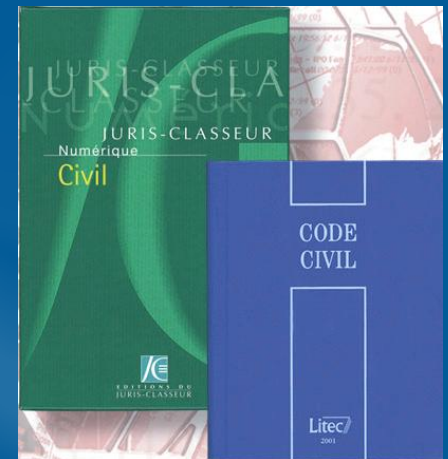
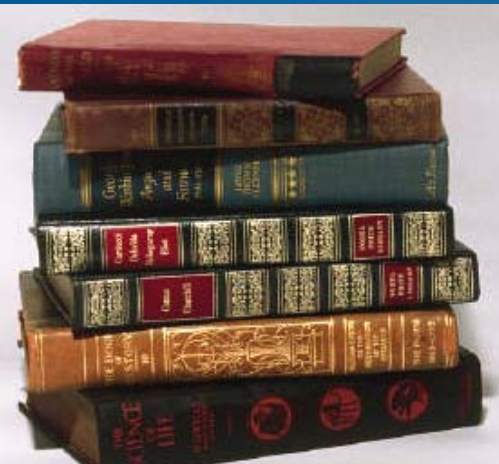
Priorities



- Deliver continuing advances in customer productivity
- Focus on customer, value, service, marketing
- Maintain strong, broad pipeline of new initiatives
- Develop e-health opportunity
- Cost efficiency



LexisNexis® Risk Management Solutions



North American
Legal Markets
(\$1.0bn)

- Legal research, other legal information services, productivity tools for North American legal markets
-

Corporate and
Federal Markets
(\$0.6bn)

- Legal information, global news and business, public records, risk management to US corporate and federal markets
-

International
(\$0.5bn)

- Legal, tax and regulatory research, information and tools, news & business to markets outside North America
-

2003 Revenues: \$2.1bn

Leading legal / news and business publisher / online provider

Attractive long term market

- Expanding legal professions globally
- Increasing focus on productivity
- Historical trends support market recovery
- Strong demand for online services

Core business strength

- Online growth – US +12%; International +30%
- Good US small law online growth +9%
- Print / CD migration

Continued expansion in growth markets

- Beyond research strong – e-discovery +60%; e-filing / court access +25%
 - Risk management +20%
-

Core Business Strength



- Expanding content
 - e-treatises, case law summaries, annotated codes, judge directions, jury instructions
- Increasing functionality
 - Linking state statutes to court rules and state constitutions
 - Integrating legal research and workflow tools
- New contract wins
 - 10 year US Courts contract
- Successful Global Legal Platform launch

Expansion in Growth Markets

LexisNexis®
Applied Discovery®

Control, flexibility and efficiency in managing electronic documents

- Guided search and retrieval
- Data format harmonisation
- Workflow applications - review, annotation and selection
- Court compliant reports
- 2003 'Product of the Year' – Law Technology News



LexisNexis Public Records and Risk Management History



Public Records & Risk Management Revenues



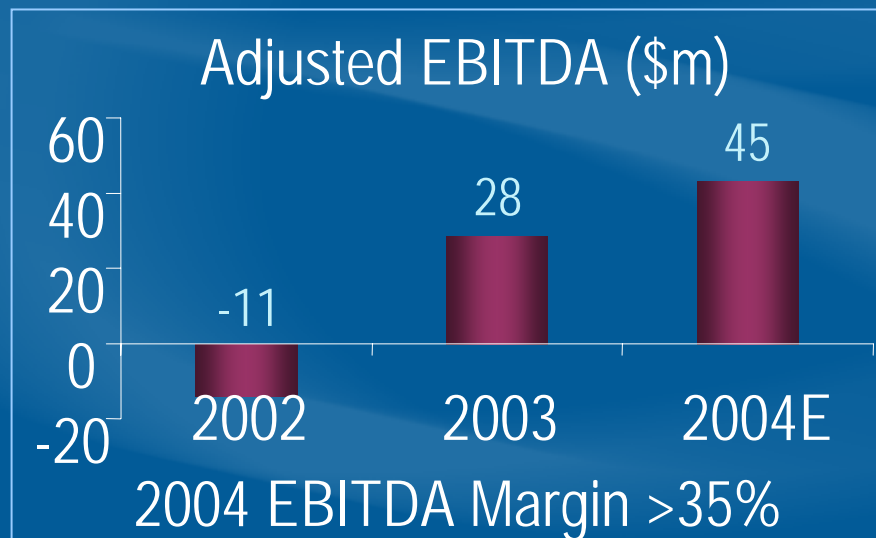
1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004

Expansion in Growth Markets

US Risk Management
\$5bn sector; 10 year annual growth 7-9%

Legal	<ul style="list-style-type: none">● Increasing litigation● Personal bankruptcies +7% p.a. 93-03
Collections	<ul style="list-style-type: none">● Credit card collection charge-offs \$57.8bn● +16% p.a. from 95-03
Consumer Credit	<ul style="list-style-type: none">● Credit card losses \$2.4bn● +12% p.a. from 96-03
Insurance	<ul style="list-style-type: none">● Insurance fraud losses of \$31bn● +10% p.a. 98-02
Government	<ul style="list-style-type: none">● New screening regulations and funding● Growth outlook +10% p.a.
Background Screening	<ul style="list-style-type: none">● Employee screening to rise from 52% to 62% in next 5 years

Expansion in Growth Markets



- Strengthens leadership position and scale in fast growing risk management market
- Excellent fit with LexisNexis: content, technology, sales
- Sector leading technology
- On track to deliver >40% revenue growth in 2004

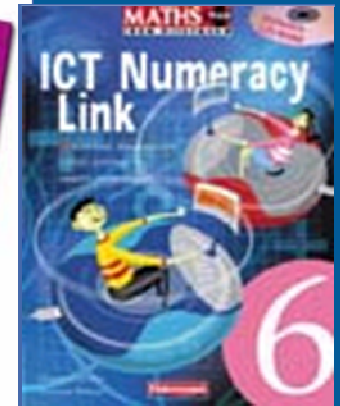
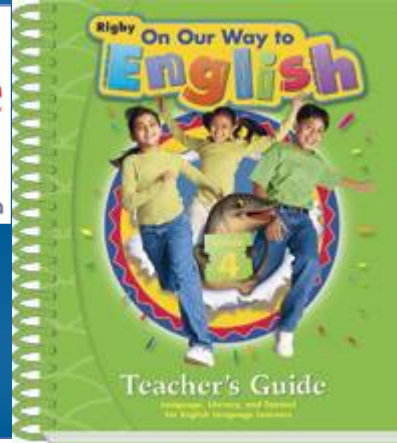
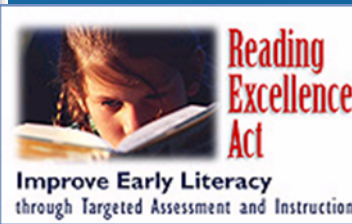
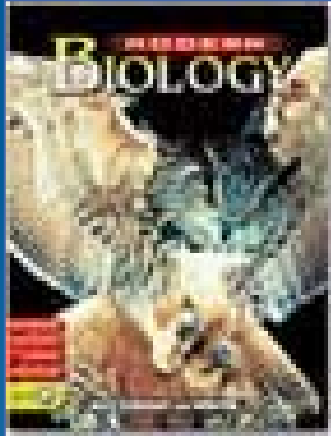
- Deliver growth potential from stronger US legal market
- Content, functionality, customisation, marketing, sales
- Build on success of beyond research products
- Integrate Seisint / deliver potential in risk management
- Leverage brands, technology, content, know-how in international markets
- Successfully execute global platform rollout
- Cost efficiency

Harcourt – a Leader in Education



HARCOURT

• T R O P H I E S •



-
- | | |
|------------------------|--|
| Harcourt School | • Leading position in K-6 |
| Holt Reinhart Winston | • Leading position in 6-12 |
| Harcourt Achieve | • Major supplemental publisher |
| Harcourt Assessment | • Leader in educational and clinical testing |
| Harcourt International | • Leader in UK primary and secondary |
-

2003 Revenues: \$1.5 billion

Leading US and International schools publisher

- 2004 – trough in adoptions; pressure on state budgets
 - 2005 – strong adoption calendar; improved state funding
 - Priority on improving educational outcomes
 - Growing impact of NCLB funding
-
- Proven publishing development process
 - #1 in 2004 adoptions; leading position 5 out of last 6 years
 - Major Reading First wins
-
- Supplemental
 - Interim assessment

Core Business Strength

- Superior publishing programmes



2004 market share >30%

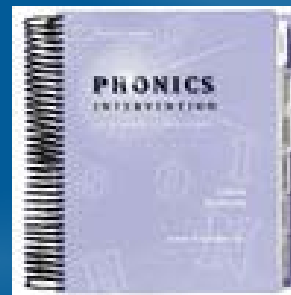
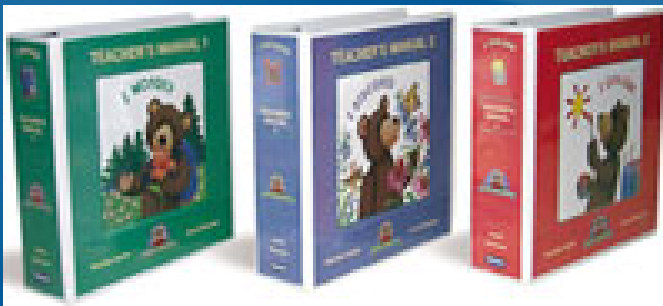
- State Assessment contract wins
 - Illinois, Minnesota and New Mexico won; Nevada and Delaware extended

Expansion in Growth Markets

SAXON MATH™



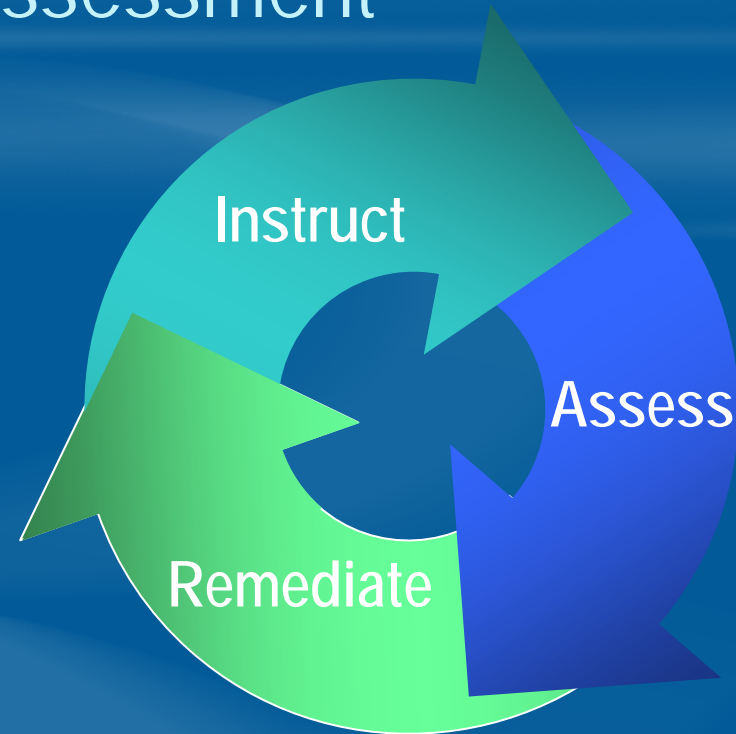
- Leader in skill-based math instruction
 - Strong brand, with a large, growing loyal customer base
- Proven history of improved student performance
 - Research-based, backed by empirical evidence of efficacy
- Integration nearly complete



Expansion in Growth Markets

Interim Assessment

- \$200m+ market
 - forecast to grow at c10%
- Roll out H2 2004; initial contracts signed (Wyoming and Pittsburgh)
- Superior product based on:
 - Leading test development / remedial materials
 - Focused learning assessment capabilities



Priorities

- Maximise growth opportunity from market recovery
- Consistent, broad based outperformance on new school textbook publishing
- Build leadership in high growth supplemental market; develop Saxon potential
- Assessment: continue organisation effectiveness improvement and market place success
- Build on successful launch of interim assessment
- Cost efficiency



totaljobs.com

Kellysearch 
Less digging, more results

egi.co.uk
egi

FARMERS WEEKLY
INTERACTIVE



MIPCOM
EXPLORE NEW BUSINESS HORIZONS

BATIMAT
SALON INTERNATIONAL DE LA CONSTRUCTION 2003

MIDEM

W
World Education Market

United States ● #1 trade magazine and information publisher

United Kingdom ● #1 trade magazine and information publisher

Netherlands ● #1 trade magazine and information publisher

Exhibitions ● Largest global exhibition organiser

2003 revenues: \$2.2 billion

Leading trade magazine / information provider

Largest global organiser of exhibitions

Attractive long
term market

- Demand tied to economic / business cycle; outlook more positive
- Recovery varies by sector / geography
- Growing demand for online solutions / services

Core business
strength

- Constant product improvement / expansion
- Building share / yield management
- Strongly growing online services (+30%)

Continued
expansion in
growth markets

- Brand / geographic extensions
- New online services (+30%)

Core Business Strength

- Resilient performance in tough markets
 - Building share and yield
 - Effective sales / marketing execution
- Launch new magazines / shows / brand extensions
 - Variety in China; Infosecurity exhibition in Moscow
- Sustainable, fast growing online revenues
- Strong performance on cost management
- Benefiting from overall market recovery

Expansion in Growth Markets

Online Revenues



2004 revenues

>30% growth

Expansion in Growth Markets



Increasing Online Searches



2003 revenue growth +37%

2003 revenues >\$12m

Priorities

- Maximise growth opportunity from market recovery
- Leverage innovation / investment to drive significant online growth
- Continue portfolio upgrade / extension
- Cost efficiency

2004 Outlook



-
- | | |
|--------------------|--|
| Overall | <ul style="list-style-type: none">● On track to deliver mid to high single digit adjusted eps* growth at constant currencies and above market revenue growth |
| Elsevier | <ul style="list-style-type: none">● Strong journal subscription renewals; challenging academic library budgets; delayed launch of MDL software platform; new book programme performing well |
| LexisNexis | <ul style="list-style-type: none">● Increasing demand for online products in US and internationally; rapid growth from beyond research products; identity verification and analysis driving risk management growth |
| Harcourt Education | <ul style="list-style-type: none">● Leading share in new adoptions; final year of trough in new adoptions; improving state budgets; assessment contract wins |
| Reed Business | <ul style="list-style-type: none">● More positive market environment; underlying revenues slightly ahead of prior year; recovery varies by sector and geography; satisfactory year for Reed Exhibitions |
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Positive Future Outlook



- Improved market growth
- Continued outperformance
- Strong new initiative pipeline and investment
- Expansion in growing adjacent markets
- Above market revenue growth and double digit adjusted EPS growth targeted*

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